

MAR 14 2007

LISTING OF THE CLAIMS

1. (Canceled)

5 2. (Currently Amended) The method of Claim 4 10, further comprising the step of:
creating an ordered areas for improvement table.

3. (Currently Amended) The method of Claim 4 10, further comprising the step of:
using said surrogate characteristics as said areas for improvement.

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4. (Withdrawn) The method of Claim 1, further comprising the step of:
using a set of SearchTM Software prediction characteristics as areas for
improvement.

15 5. (Withdrawn) The method of Claim 1, further comprising the step of:
defining a set of surrogate characteristics from a standard categorization of the
original c prediction characteristics

20 6. (Withdrawn) The method of Claim 5, further comprising the step of:
developing surrogate characteristics as models developed using said categorized
prediction characteristics and said credit score as said performance variable.

7. (Withdrawn) The method of Claim 6, further comprising the step of:
creating said areas for improvement.

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8. (Currently Amended) The method of Claim 4 10, wherein said defining a credit score
step is defined as:

$$\text{Score} = \varsigma(\chi_1, \chi_2, \dots, \chi_c),$$

where

χ_j = Prediction Characteristic j .

9. (Canceled)

5 10. (Currently Amended) ~~The method of Claim 9~~ In a method for explaining credit scores, comprising the steps of providing a Web site that contains informative resources, said Web site comprising any of for-pay services and extranet/Internet functions; offering consumers access to information contained in said informative resources, both general and personal, about practices comprising any of collection,
10 storing, reporting, and evaluating consumer credit data; accepting consumer credit scores and reason codes from individual consumers or third parties, in interactive or batch modes; and providing an explanation report to said individual consumers based upon the individual consumers' credit scores, a method for explaining credit scores comprising the steps of:

15 defining a credit score as a function of prediction characteristics;
defining a surrogate set of characteristics as representing areas for improvement;

developing a surrogate score to approximate a real credit score, using said real credit score as a performance (dependent) variable and using said surrogate
20 characteristics as predictors; and

defining a potential improvement metric for each area for improvement;

wherein said developing a surrogate score step further comprises the step of:

using said areas for improvement prediction variables to develop a surrogate score of the form

$$\psi(z_1, z_2, \dots, z_p),$$

which is developed using z_1, z_2, \dots, z_p as said prediction characteristics and

$$y = \varsigma(\chi_1, \chi_2, \dots, \chi_c)$$

as said performance variable; and

- 5 wherein said defining a potential improvement metric step is defined as:

$$I_k = 100 \times \frac{\max_{z_k} \{ \psi(z_1^*(z_k), \dots, z_k, \dots, z_p^*(z_k)) - \psi(z_1^*, \dots, z_k^*, \dots, z_p^*) \}}{\text{Score}^*}$$

= Maximum possible percent improvement in score
for Area of Improvement k .

where $z_1^*(z_k) = z_1^*$ unless z_1^* cannot coexist with z_k , wherein in that case,
 $z_1^*(z_k) = E[z_1 | z_k]$, or some other value of z_1 that can coexist with z_k .

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11. (Currently Amended) The method of Claim 4 10, further comprising the steps of:
associating a set of reason codes with a score returned from a credit bureau;
associating a score difference with each reason code;
providing a data feed which includes score differences associated with said
15 reason codes; and
converting score differences to percentages.

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12. (Currently Amended) The method of Claim 4 10, further comprising the step of:
comparing a current score to a maximum score that can be obtained by varying
20 said prediction characteristic.

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13. (Canceled)

14. (Currently Amended) The apparatus of Claim 43 22, further comprising:

means for creating an ordered areas for improvement table.

15. (Currently Amended) The apparatus of Claim 43, 22, further comprising:
means for using said surrogate characteristics as said areas for improvement.

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16. (Withdrawn) The apparatus of Claim 13, further comprising:
means for using a set of SearchTM Software prediction characteristics as areas
for improvement.

- 10 17. (Withdrawn) The apparatus of Claim 13, further comprising:
means for defining a set of surrogate characteristics from a standard
categorization of the original c prediction characteristics

18. (Withdrawn) The apparatus of Claim 17, further comprising:
15 means for developing surrogate characteristics as models developed using said
categorized prediction characteristics and said credit score as said performance
variable.

19. (Withdrawn) The apparatus of Claim 18, further comprising:
20 means for creating said areas for improvement.

20. (Currently Amended) The apparatus of Claim 43 22, wherein said means for
defining a credit score comprises:

$$\text{Score} = c(\chi_1, \chi_2, \dots, \chi_c),$$

where

χ_j = Prediction Characteristic j .

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21. (Currently Amended) The apparatus of Claim 43 22, wherein said developing a
surrogate score step further comprises:

means for using said areas for improvement prediction variables to develop a surrogate score of the form

$$\psi(z_1, z_2, \dots, z_p),$$

5 which is developed using z_1, z_2, \dots, z_p as said prediction characteristics and

$$y = \varsigma(\chi_1, \chi_2, \dots, \chi_c)$$

as said performance variable.

22. (Currently Amended) ~~The apparatus of Claim 13, in a~~ A credit score explanation
 10 service, comprising a Web site that contains informative resources, said Web site
comprising any of for-pay services and extranet/Internet functions; said Web site
offering any of consumers and said third parties access to information contained in said
informative resources, both general and personal, about practices of any of collection,
storing, reporting, and evaluating consumer credit data; a mechanism for accepting
 15 consumer credit scores and reason codes from any of individual consumers or third
parties, in interactive or batch modes; and providing an explanation report to said
individual consumers based upon the individual consumers' credit scores,, an
apparatus for explaining credit scores comprising:

means for defining a credit score as a function of prediction characteristics;

20 means for defining a surrogate set of characteristics as representing areas for
improvement;

means for developing a surrogate score to approximate a real credit score, using
said real credit score as a performance (dependent) variable and using said surrogate
characteristics as predictors; and

25 means for defining a potential improvement metric for each area for improvement;

wherein said means for defining a potential improvement metric step is defined
 as:

$$I_k = 100 \times \frac{\max\{\psi(z_1^*(z_k), \dots, z_k, \dots, z_p^*(z_k)) - \psi(z_1^*, \dots, z_k^*, \dots, z_p^*)\}}{\text{Score}^*}$$

= Maximum possible percent improvement in score
for Area of Improvement k .

where $z_1^*(z_k) = z_1^*$ unless z_1^* cannot coexist with z_k , wherein in that case,
 $z_1^*(z_k) = E[z_1 | z_k]$, or some other value of z_1 that can coexist with z_k .

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23. (Currently Amended) The apparatus of Claim 13 22, further comprising:
means for associating a set of reason codes with a score returned from a credit
bureau;

means for associating a score difference with each reason code;

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means for providing a data feed which includes score differences associated with
said reason codes; and

means for converting score differences to percentages.

24. (Currently Amended) The apparatus of Claim 13 22, further comprising:

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means for comparing a current score to a maximum score that can be obtained
by varying said prediction characteristic.

25. (Canceled)

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26. (Canceled)